

WASHINGTON STATE DEPARTMENT OF REVENUE



FOR IMMEDIATE RELEASE

For more information, contact:

Mike Gowrylow

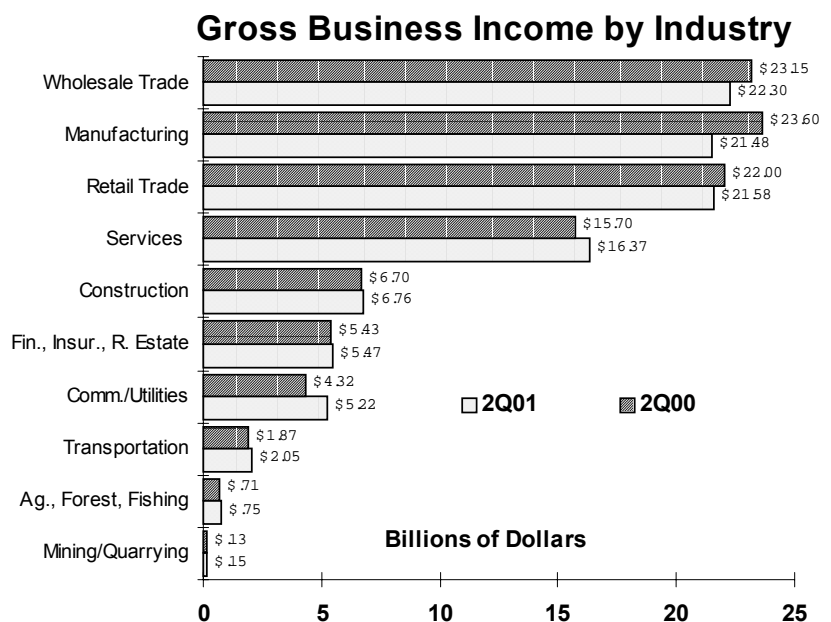
(360) 486-2113

Gross business income, sales tax revenue dip for first time in six years

OLYMPIA, Wash., Nov. 30, 2001— Gross business income and sales taxes reported by Washington businesses dipped during the April through June period for the first time since 1995, according to the second quarter 2001 Quarterly Business Review published online by the Washington Department of Revenue.

Gross business income declined 1.4 percent during the second quarter of 2001, to \$102.13 billion when compared to the second quarter of 2000. This is the first time gross income has dipped since Boeing workers went on strike during the fourth quarter of 1995. Taxable retail sales dropped less than one-quarter of one percent to \$21.18 billion.

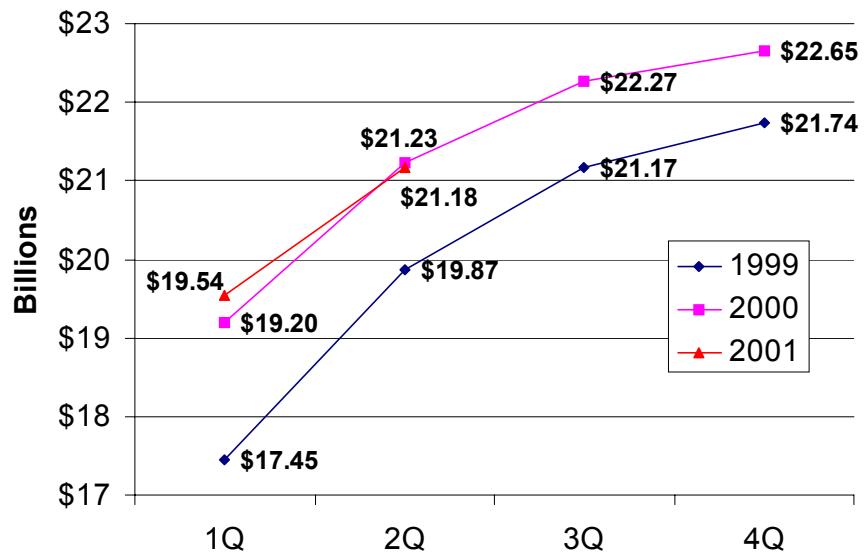
Gross receipts declined for the three largest industry groups: wholesale trade, manufacturing and retail trade, although the other seven industry groups were still up over the year-earlier quarter (see chart).



(more)

Taxable Retail Sales

Taxable retail sales declined in 17 of the 39 counties. Columbia and Asotin counties led the downturn with 14.7 percent and 12.7 percent declines, respectively. Klickitat County, on the other hand, led the pack with a strong 388.6 percent gain due to construction activity, followed by Skamania County with a 20.5 percent increase.



Twenty-three of the 50 cities tracked in the report showed declines in sales. Bellevue sales plummeted 10.3 percent while Richland turned in a 17.8 percent gain. Note however that the numbers change considerably if only retail trade activity is counted and sales tax from such volatile sources as construction is excluded. Adams County, for example, showed a 10.2 percent drop in overall taxable retail sales but a 17.8 percent increase in retail trade. The attached tables break out counties and cities by both overall and retail trade activity. Likewise, the 388.6% gain for Klickitat County falls to a 4.9 percent loss if only retail trade is counted.

For the full report, which includes breakdown of taxable retail sales by industry and by county and selected cities, go to <http://dor.wa.gov/reports/qbr201/qbrq201.htm?noframes>.

Note that taxable retail sales for all cities for the second quarter of 2001 is available at <http://dor.wa.gov/reports/lst/allq201.htm?noframes>.

###

TAXABLE RETAIL SALES BY COUNTY

All Taxable Retail Sales*

Retail Trade Only**

(\$000) add three digits to all figures

	2nd Quarter 00	2nd Quarter 01	Change	2nd Quarter 00	2nd Quarter 01	Change
Adams	\$48,622	\$43,679	-10.2%	\$12,447	\$14,665	17.8%
Asotin	41,570	36,295	-12.7%	23,182	22,554	-2.7%
Benton	410,586	452,114	10.1%	244,844	247,948	1.3%
Chelan	241,021	256,936	6.6%	128,203	127,373	-0.6%
Clallam	163,640	171,959	5.1%	90,743	94,753	4.4%
Clark	823,657	834,619	1.3%	403,481	409,789	1.6%
Columbia	7,124	6,080	-14.7%	2,185	2,196	0.5%
Cowlitz	258,304	267,171	3.4%	149,247	146,308	-2.0%
Douglas	62,898	65,092	3.5%	37,074	36,702	-1.0%
Ferry	6,541	7,553	15.5%	3,264	3,168	-2.9%
Franklin	169,337	170,496	0.7%	75,117	75,539	0.6%
Garfield	3,423	3,917	14.4%	1,354	1,299	-4.1%
Grant	186,522	199,222	6.8%	90,654	88,393	-2.5%
Grays Harbor	175,905	163,111	-7.3%	94,961	90,757	-4.4%
Island	140,968	136,659	-3.1%	64,223	62,597	-2.5%
Jefferson	67,467	65,891	-2.3%	27,737	27,466	-1.0%
King	9,276,842	8,927,279	-3.8%	4,183,508	4,143,472	-1.0%
Kitsap	590,827	615,451	4.2%	375,404	377,761	0.6%
Kittitas	94,564	94,289	-0.3%	47,052	47,786	1.6%
Klickitat	26,631	130,108	388.6%	9,098	8,652	-4.9%
Lewis	213,244	243,571	14.2%	119,089	109,934	-7.7%
Lincoln	17,778	17,051	-4.1%	6,522	6,220	-4.6%
Mason	84,530	85,625	1.3%	44,461	47,985	7.9%
Okanagan	81,753	83,231	1.8%	47,206	42,380	-10.2%
Pacific	35,154	33,895	-3.6%	16,143	15,446	-4.3%
Pend Oreille	12,498	12,240	-2.1%	5,418	5,002	-7.7%
Pierce	2,053,690	2,090,433	1.8%	1,148,247	1,165,867	1.5%
San Juan	73,665	68,833	-6.6%	27,292	22,039	-19.2%
Skagit	412,427	444,596	7.8%	247,778	272,872	10.1%
Skamania	12,997	15,660	20.5%	3,186	3,035	-4.8%
Snohomish	1,966,042	1,950,623	-0.8%	1,102,050	1,095,114	-0.6%
Spokane	1,398,295	1,406,685	0.6%	754,018	764,572	1.4%
Stevens	60,893	57,521	-5.5%	32,165	30,705	-4.5%
Thurston	636,367	657,724	3.4%	355,360	364,489	2.6%
Wahkiakum	3,142	4,376	39.3%	1,336	1,380	3.3%
Walla Walla	123,225	138,350	12.3%	57,055	64,345	12.8%
Whatcom	528,486	523,071	-1.0%	285,682	284,426	-0.4%
Whitman	85,880	80,990	-5.7%	32,148	32,550	1.2%
Yakima	546,147	526,779	-3.5%	304,310	287,840	-5.4%
TOTALS	\$21,142,662	\$21,089,175	-0.3%	\$10,653,244	\$10,645,377	-0.1%

*All taxable retail sales includes retailing, services, contracting (construction), manufacturing, transportation, communications, utilities, wholesaling, finance, insurance, real estate and others. Sales taxes from contracting can be highly volatile.

**Retail Trade includes taxable sales of building materials and hardware, general merchandise, food, auto dealers, apparel, furnishings, eating/drinking places, and miscellaneous retail stores. This figure better represents consumer purchases.

(more)

TAXABLE RETAIL SALES BY SELECTED CITIES

	All Taxable Retail Sales*			Retail Trade Only**		
	(\$000) add three digits to all figures					
	2nd Quarter 00	2nd Quarter 01	Change	2nd Quarter 00	2nd Quarter 01	Change
Aberdeen	\$85,355	80,907	-5.2%	\$59,841	57,818	-3.4%
Auburn	335,702	356,012	6.1%	181,171	202,534	11.8%
Bellevue	1,182,345	1,060,152	-10.3%	628,156	584,385	-7.0%
Bellingham	361,527	356,501	-1.4%	215,135	212,959	-1.0%
Bremerton	140,386	139,097	-0.9%	96,245	90,547	-5.9%
Camas	33,626	32,047	-4.7%	10,706	9,734	-9.1%
Centralia	58,009	59,635	2.8%	35,408	35,516	0.3%
Chehalis	67,600	67,817	0.3%	48,579	46,689	-3.9%
Colville	35,168	32,933	-6.4%	23,042	22,033	-4.4%
Des Moines	40,090	45,582	13.7%	23,502	23,433	-0.3%
Edmonds	122,970	117,382	-4.5%	75,288	73,616	-2.2%
Ellensburg	58,719	65,012	10.7%	34,760	35,313	1.6%
Everett	548,854	530,711	-3.3%	297,406	283,860	-4.6%
Federal Way	283,686	274,182	-3.4%	188,091	179,086	-4.8%
Fife	129,363	139,299	7.7%	73,720	88,692	20.3%
Issaquah	216,783	242,290	11.8%	133,936	142,942	6.7%
Kelso	51,543	46,434	-9.9%	35,920	30,091	-16.2%
Kennewick	247,993	264,523	6.7%	168,646	172,235	2.1%
Kent	569,797	549,767	-3.5%	213,046	218,737	2.7%
Kirkland	343,591	320,951	-6.6%	188,397	175,423	-6.9%
Lacey	109,143	121,950	11.7%	61,951	68,319	10.3%
Longview	146,733	152,847	4.2%	89,280	88,845	-0.5%
Lynnwood	402,836	414,865	3.0%	298,259	293,499	-1.6%
Marysville	99,186	99,644	0.5%	56,529	54,600	-3.4%
Mercer Island	63,413	68,347	7.8%	13,124	12,912	-1.6%
Moses Lake	96,604	99,406	2.9%	57,657	57,028	-1.1%
Mount Vernon	109,593	107,052	-2.3%	74,713	71,320	-4.5%
Mountlake Terrace	34,842	39,032	12.0%	15,671	14,017	-10.6%
Oak Harbor	62,299	59,048	-5.2%	40,209	38,319	-4.7%
Olympia	354,800	355,984	0.3%	212,879	213,358	0.2%
Omak	25,031	24,077	-3.8%	19,080	18,211	-4.6%
Pasco	151,565	152,432	0.6%	71,382	71,813	0.6%
Port Angeles	62,695	62,824	0.2%	35,334	34,337	-2.8%
Port Townsend	33,923	33,959	0.1%	16,975	17,249	1.6%
Pullman	61,786	59,157	-4.3%	24,559	25,358	3.3%
Puyallup	312,254	317,488	1.7%	224,750	234,981	4.6%
Redmond	484,699	412,860	-14.8%	169,312	179,228	5.9%
Renton	418,837	433,743	3.6%	248,559	238,516	-4.0%
Richland	114,596	135,008	17.8%	59,917	60,905	1.6%
SeaTac	197,012	210,253	6.7%	31,641	35,432	12.0%
Seattle	3,411,167	3,273,856	-4.0%	1,356,995	1,338,207	-1.4%
Shelton	41,087	39,528	-3.8%	26,491	26,439	-0.2%
Spokane	798,389	780,146	-2.3%	420,316	409,895	-2.5%
Sunnyside	50,263	50,635	0.7%	31,779	33,231	4.6%
Tacoma	857,932	843,131	-1.7%	476,707	457,007	-4.1%
Tukwila	473,535	454,746	-4.0%	281,168	276,553	-1.6%
Vancouver	475,235	469,159	-1.3%	252,432	244,153	-3.3%
Walla Walla	93,727	107,450	14.6%	49,423	53,845	8.9%
Wenatchee	138,027	150,938	9.4%	83,474	83,738	0.3%
Yakima	294,919	286,155	-3.0%	174,139	161,777	-7.1%

*All taxable retail sales includes retailing, services, contracting (construction), manufacturing, transportation, communications, utilities, wholesaling, finance, insurance, real estate and others. Sales taxes from contracting can be highly volatile.

**Retail Trade includes taxable sales of building materials and hardware, general merchandise, food, auto dealers, apparel, furnishings, eating/drinking places, and miscellaneous retail stores. This figure better represents consumer purchases.